



TELECOMMUNICATIONS MARKET SNAPSHOT: UNITED KINGDOM

Key Statistics

Population	62,348,447 (July 2010 est.)
GDP	\$2.189 trillion (2010 est.)
Per capita GDP	\$35,100 (2010 est.)
Main lines	32.117 million (2009)
Teledensity	54% (2008)
Mobile subscribers	77.375 million (2009)
Mobile penetration	126% (2008)
Internet users	51.444 million (2009)
Internet penetration	76% (2008)
Broadband subscribers	17,276,000 (2008)
Telecom equipment and services	\$50,926.8 million (2010)
U.S. equipment exports to market	\$638,098,439 (2010)

Sources: CIA World Factbook, WB, USITC and Worldwide Black Book

Market Overview

The UK currently holds the top spot among the telecommunications markets in Western Europe according to BMI's Business Environment Ratings in the first quarter of 2011, which is partly due to its large population relative to its geographic size. A high urbanizations rate, a young population and favorable topography also make this market attractive to telecom companies.

The UK's mobile market is well developed with about 74.3 million subscribers in September of 2010 with 5.343 million using 3G in December of 2009. The rise in the demand for the smartphones, along with voice minutes, SMS and data allowances will fuel efforts to attract higher value postpaid customers. Everything Everywhere, a joint venture between T-Mobile UK and Orange UK., is currently the largest mobile operator in the UK with a market share of about 36.5% as of February 2011. O2 holds 29.5% of the mobile market, Vodafone follows with 25.5%, and Hutchinson 3G holds 8.5%. BT is the leader of the broadband market with 26.7% of the market in 2009. Other broadband providers, include Talk Talk (22.8%), Virgin Media, which is also a cable operator (21.10%), satellite broadcaster BSkyB (13.30%), Orange (4.6%), and O2 (3.5%) among others.

The IPTV initiative Youview, which was approved by the BBC Trust in 2010 and is expected to launch in early 2011, brings together members from the telecoms and broadcasting industries. This initiative is expected to increase activity in the fixed-line sector, which has been contracting.

Telecom Trade Agreements

WTO

As a member of the EU, the UK has made commitments covering both basic and value-added telecom services in the World Trade Organization (WTO). For a list of the country's commitments, go to http://www.wto.org/english/tratop_e/serv_e/telecom_e/telecom_commit_exempt_list_e.htm. The UK is also a

signatory to the WTO Information Technology Agreement, which completely eliminates duties on a variety of information communications technology products by January 2000.

Leading Service Providers

BSkyB
<http://www.sky.com/>

BT
<http://www.bt.com/>

Everything Everywhere
<http://www.everythingeverywhere.com/>

Hutchinson 3G
<http://www.three.co.uk/>

O2
<http://www.o2.co.uk/>

Talk Talk
<http://www.talktalk.co.uk/>

Virgin Media
<http://www.virginmedia.com/>

Vodafone
<http://www.vodafone.co.uk/personal/index.htm>

Contacts

Regulatory

Ofcom
<http://www.ofcom.org.uk/>

Last updated February 28, 2011